



JENNIFER M. GRANHOLM
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF EDUCATION
LANSING



THOMAS D. WATKINS, JR.
SUPERINTENDENT OF
PUBLIC INSTRUCTION

June 11, 2004

Dear School District Business Managers:

The Michigan Department of Education (MDE), Office of Audits is piloting a process that will allow school districts, public school academies (PSAs), and intermediate school districts (ISDs) to submit their June 30, 2004, audited financial statements and single audits (if needed) electronically! We hope that this will save time and money for both the districts and their CPA firms.

There are certain criteria that will need to be followed in order for this to be a smooth process. Please note the following:

- We are opening this pilot up to any school district, PSA, or ISD that wants to participate by submitting their required documents electronically. If you do not choose to submit electronically, the audits must be mailed just the same as in prior years. (Refresher: Audited Financial Statements, Single Audit (if needed), Management Letter (if issued), Corrective Action Plan (for any audit findings), and Data Collection Form (for single audits))
- Each school district and PSA will need to work directly with their ISD to determine if the ISD will accept audits electronically or require a hard copy. Each school district and PSA will also have to coordinate with their ISD on the status of their submission. It may work out better for individual school districts and PSAs to submit directly to MDE and directly to their ISD instead of submitting their audit electronically to their ISD and having their ISD submit to MDE. That decision will be left up to the individual ISDs.
- There will be no change in the submission process to the Federal Clearinghouse, (unless you hear otherwise from the Federal Clearinghouse).
- All district submissions will need to be individually emailed to MDE-FinAudit@mi.gov with the district name and district code in the subject line. Please do not send audits to our individual email addresses.
- As always, no drafts will be accepted. Make certain that all documents are final and signed versions.
- The audits will need to be formatted in **PDF format** to open exactly how they would look if they were printed. All documents must be from an electronic source – no scanned documents will be accepted; too much computer space is taken up and searching within the document is not available.

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- All single audits, when required, must be in a separate file, so the financial statements will be one file and the single audit another file.
- The audited financial statements, single audit (if needed), management letter (if issued), Data Collection Form (for single audits), and Corrective Action Plan (for any audit findings) should all be attached in one email. If these are not in a format to be attached, then they must be mailed or faxed to our office. Our mailing address is **Michigan Department of Education, Office of Audits, P.O. Box 30008, Lansing, Michigan 48909**. The fax number for the Office of Audits is **(517) 335-4817**.
- Each document must be a separate attachment in the email and named with the five digit district code and then a two letter abbreviation code for the type of document:
 - **FS** Financial Statements
 - **SA** Single Audit
 - **DC** Data Collection Form
 - **CA** Corrective Action Plan
 - **ML** Management Letter
 - **M1** Miscellaneous 1 (for Summary Schedule of Prior Audit Findings or any other miscellaneous document)
 - **M2** Miscellaneous 2

For example, Belding Area Schools would submit an email to MDE-FinAudit@mi.gov with **Belding Area Schools 34080** in the subject line. Then, attached would be the financial statements named “**34080FS**,” the single audit (if needed) named “**34080SA**,” the Data Collection Form (if needed) named “**34080DC**,” the Corrective Action Plan (if audit findings were issued) named “**34080CA**,” the management letter (if issued) named “**34080ML**,” and any other documents issued named “**34080M1**,” and “**34080M2**.”

- We reserve the right to request a hard copy of your reporting package, if for any reason; the electronic submission process is not successful.

After the June 30, 2004 audits have been collected and reviewed, we will analyze our process, and then decide on how to collect the 2005 audits. We are constantly looking to improve; your feedback is always welcome.

We hope that this will be a more effective and efficient method for submitting annual audits. If there are any questions or concerns regarding your reports, please contact me at (517) 373-4591 or by e-mail at laked@mi.gov or contact Roxanne Nicholas, at (517) 241-4817, or by e-mail at nicholasrr@mi.gov. Thank you!

Sincerely,

Dawn Lake
Single Audit Coordinator
Office of Audits

c: CPA firms